GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:1908
ANSWERED ON:03.08.2000
EXPANSION OF KAYAMKULAM PROJECT
T. GOVINDAN;V.S. SIVAKUMAR

Will the Minister of POWER be pleased to state:

(a) whether the Government have received any representations from the Government of Kerala regarding the expansion of Kayamkulam project;

(b) if so, whether the Government had agreed for setting up Natural Gas terminal at Kochi and expansion of Kayamkulam power project; and

(c) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a): The Government of Kerala have requested the Ministry of Power/National Thermal Power Corporation(NTPC) to take up expansion of Kayamkulam Combined Cycle Power Project (CCPP) in Kerala.

(b) & (c): Kayamkulam CCPP Stage-I (350 MW) was dedicated to Kerala on its insistence. However, Kerala Electricity Board (KEB) has not been able to utilise full power from this project. Further, KEB has not made payments towards fixed charges for supply of power from GT-I and GT-II of the project declared commercial with effect from 1st January and 1st May, 1999 respectively during their open cycle operation. This has resulted in accumulation of liability of Rs. 185 crores against KEB. NTPC is incurring huge loss from this project.

Nevertheless, NTPC is pursuing Kayamkulam expansion project of 1950 MW (tentative) capacity. Towards this end, Ministry of Power has accorded necessary clearance under Section 18 A of Electricity (Supply) Act, 1948. Water commitment of 59 cusecs sufficient for both Stage-I and II is available and action taken for initiating site specific studies. As regards, LNG terminal, NTPC has signed a Memorandum of Understanding with petronet for taking a 10% stake in the equity of petronet LNG. The implementation of the project, as a regional station, would be contingent on a number of factors including availability of LNG in an appropriate time frame, price and terms, signing of Power Purchase Agreement with the State Electricity Board of the Southern States (for utilising its full capacity) with sufficient payment safeguards etc.